

To:

County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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August 5, 2003

Supervisor Yvonne Brathwaite Burke, Chair

Supervisor Gloria Molina Supervisor Zev Yaroslavsky Supervisor Don Knabe

Supervisor Michael D. Antonovich

From: David E. Janssen

Chief Administrative Officer

MOTION TO ENDORSE THE BUDGET ACCOUNTABILITY ACT (ITEM NO. 9, AGENDA OF AUGUST 5, 2003)

Item No. 9 on the August 5, 2003 Agenda is a motion by Supervisor Yaroslavsky to endorse the Budget Accountability Act and support its favorable consideration and approval by California voters.

The Budget Accountability Act would: 1) reduce the vote required by the Legislature to pass the State Budget and related tax and other legislation from two-thirds to 55 percent; 2) require a reserve fund of at least five percent in a good economy to reduce the need for budget cuts and tax increases in bad economic times; 3) require the Legislature to remain in session and only work on Budget-related legislation until the Budget is signed; 4) add to the Official Voter Pamphlet an explanation of how State Budget funds are being spent; 5) prohibit the Legislature and the Governor from collecting their salary for every day after the Constitutional Budget deadline until the Budget is passed; and 6) discourage political parties from punishing legislators for voting their conscience.

The Budget Accountability Act is currently in circulation to qualify for the March 2, 2004 ballot. If the measure qualifies for the ballot and is enacted by the voters, it will become effective the day following the election.

The measure is supported by numerous organizations including: the American Federation of State, County and Municipal Employees; American Federation of Labor and Congress of Industrial Organizations (AFL-CIO); California Budget Project;

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California Federation of Teachers; California National Organization for Women; California Professional Firefighters; California State Employees Association; California State PTA; California Teachers Association; Center on Policy Initiative; Coalition for Community Health; Congress of California Seniors; Consumer Federation of California; Health Access; League of Women Voters of California; Mental Health Association in California; Older Women's League of California; Planned Parenthood Affiliates of California; Service Employees International Union, California State Council; Teamsters Union; and the United Farm Workers, as well as many others.

It is opposed by the California Chamber of Commerce, Californian's Against Higher Taxes (a Chamber of Commerce led coalition), Americans for Tax Reform, and the California Space Authority.

Proponents argue that the Budget Accountability Act would end the budget gridlock that the State faces each year by making it easier for the Legislature and the Governor to complete the budget by the constitutional deadline, or suffer a loss of salary for each day of delay. They contend that the two-thirds vote requirement gives a minority of legislators the power to hold the budget hostage each year, and prevents the majority from their passing a budget on-time.

Opponents maintain that the two-thirds vote requirement protects Californians from excessive spending and burdensome tax increases.

Support for the Budget Accountability Act is consistent with existing County policy adopted on February 11, 2003, during consideration of ACA 1 (Longville), to support a constitutional amendment to allow the Legislature to adopt the budget by a majority vote. However, at that time, the Board divided the question and rejected a provision in ACA 1 to require Legislators to forfeit their pay until the budget was passed. The Board may wish to take this into consideration when making a determination on this matter.

DEJ:GK MS:JF:JR:ib

Attachments

c: Executive Officer, Board of Supervisors County Counsel